

REMARKS

Claims 1-26 are pending in the application. Claims 3, 10, and 19 have been cancelled. Claims 1, 4, 9, 11, 15, 17, 18, 20, and 26 have been amended. Claims 27-29 have been added. Claims 1, 2, 4-9, 11-18, and 20-29 accordingly remain pending in the application.

In the present Office Action, claims 1-8 stand rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. In addition, claims 9-17 stand rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In view of the claim amendments, Applicant submits the above rejections are overcome.

In addition to the above, claims 1, 3, 4, 6, 7, 9-11, 17, 18-21, and 23 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent 6,314,556. (hereinafter "DeBusk"). Claims 14 and 15 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over DeBusk in view of U.S. Patent No. 5,732,401 (hereinafter "Conway"). Claims 5, 12, 22, and 26 stand rejected under 35 U.S.C. § 102(e) as anticipated by or, in the alternative, under 35 U.S.C. § 103(a) as obvious over DeBusk. Finally, claims 2, 8, 13, 16, 24, and 25 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over DeBusk.

Section 102(e) Rejection

The Examiner rejected claims 1, 3, 4, 6, 7, 9-11, 17, 18-21, and 23 under 35 U.S.C. § 102(e) as being anticipated by DeBusk et al. (U.S. Patent 6,314,556) (hereinafter

“DeBusk”). Applicant asserts that pending claims 1, 4, 9, 11, 17, 18, and 20 as amended and 6, 7, 19, 21, and 23 are not anticipated by DeBusk.

Generally speaking, claim 1 has been amended to incorporate the features of prior claim 3. Applicant respectfully submits that claim 1 recites a combination of features neither taught nor suggested by the cited art. Applicant’s claimed invention includes features generally directed to the location of inventory items. In contrast, as discussed below, Debusk teaches a system which is generally directed to the consumption of resources. In particular, it is noted that claim 1 recites a method which includes:

“placing a request order to acquire at least one item from an inventory associated with a first location, wherein the request order is placed from a processor at a second location;

receiving the item at the second location;

providing an indication of receipt of the item in response to receiving the item at the second location; and

reducing the inventory associated with the first location in response to receiving the indication.”

In contrast to the above, DeBusk is directed to a system for monitoring resource utilization in a health care environment in order to guarantee accurate billing. (DeBusk, col. 1, lines 15-16). The specific circumstances of the health care environment lead to particular problems. For example, in order to carry out a medical procedure, Debusk teaches:

“supplies are maintained in a supply room until needed ... Once a procedure is scheduled, . . . a list of supplies . . . is generated. A hospital employee then . . . withdraw[s] the desired items from inventory and place[s] them in the operating room where the procedure takes place. After

the procedure is completed, unused supplies are returned to inventory . . . [and] a list of used supplies is provided to the billing department, and the used supplies are disposed of or re-sterilized. However, this system is costly and inefficient.” (DeBusk, col. 1, lines 31-40).

As billing in such a system is based upon utilization of resources, hospital employees must exercise great care in order to avoid inaccurate billing. In addition, as the number of supplies needed for a particular procedure may not be known with any degree of accuracy, it is generally necessary to pull an excess number of supplies from inventory in order ensure enough supplies will be on hand during the procedure. Unfortunately, such an approach also means that large numbers of unused supplies may regularly be returned to inventory after the procedure. Repeated handling of large quantities of supplies in such a manner is inefficient. With respect to these issues of billing and efficiency, DeBusk states:

“If an item is not used during a procedure and is billed for anyway, the billing for that product could be considered fraud on the reimbursers.” (DeBusk, col. 1, lines 54-56).

“[A] relatively large inventory of supplies has to be maintained . . . to insure that sufficient quantities are on hand for every procedure. Furthermore, the act of picking items for surgery and, later restocking unused items, is onerous and expensive . . .” (DeBusk, col. 1, lines 41-48).

In order to solve these problems, Debusk teaches a system which tracks and analyzes the use of resources within a healthcare institution. By logging the actual use (not location) of resources, “greater cost accountability in the provision of medical services” may be achieved. (DeBusk, col. 5, lines 45-46). In addition, by retrospectively studying the use of such resources, a more accurate determination may be made as to the number of resources which may be required for a particular procedure in the future. In this manner, the unnecessary movement of large quantities of supplies may be reduced.

For example, Debusk states that “(w)hat is needed, therefore, is an integrated information system for use in healthcare institutions for managing, optimizing and analyzing the use of resources within that institution.” (DeBusk, col. 1, lines 64-67). To this end, DeBusk relies upon a *retrospective analysis of resource consumption*. In particular, DeBusk states that “[o]ne of the many tremendous benefits of the management system according to the present invention is the ability to extract detailed information and analysis from the data that is collected from the cases.” (DeBusk, col. 34, lines 50-53).

In view of the above, DeBusk teaches a system which distinguishes between open and closed cases: “open cases are those that are scheduled but pending, still in progress, or completed but not yet logged. Closed cases are those that have been completed and logged.” (DeBusk, col. 33, lines 61-64). DeBusk then teaches that “[t]he management system preferably **uses only closed cases** in its automated analysis routines, **so as to not base results and conclusions on cases that have not been fully logged.**” (DeBusk, col. 33, line 66 - col. 34, line 2). Furthermore, DeBusk specifies that “[t]he Resource Consumption Log window 636 is preferably presented at this point only when the case is being logged, or in other words, **only when the procedural pathway has already been completed and the actual disposition of the resources is actually known.**” (DeBusk, col. 30, lines 58-62). Note that the actual disposition of resources is not known to the management system until the case is logged. Accordingly, the focus of DeBusk may be seen to be on capturing and analyzing the utilization of resources after the utilization is completed and logged, consistent with the need for efficiency and accurate billing in a health care environment.

In contrast, Applicant’s claimed invention is generally directed to tracking the location of items within an organization which may span multiple departments or centers. For example, claim 1 recites a method of managing inventories including items in “an

inventory associated with a first location” wherein, it is noted that “placing a request ... to acquire at least one item” comes from “a second location” and that “receiving the item at the second location” triggers certain events, namely “providing an indication of receipt of the item in response to receiving the item ... and reducing the inventory associated with the first location in response to receiving the indication.”

Applicant finds no teaching or suggestion in DeBusk of the above method for “providing an indication of receipt of the item in response to receiving the item at the second location” and “reducing the inventory associated with the first location in response to receiving the indication,” as recited in Applicant’s amended claim 1. Further, Debusk teaches away from updating inventory upon receipt of an item (as noted above in distinguishing between open and closed cases), instead preferring to record usage at a later point in time and/or analyze usage history spanning multiple procedures at a still later point in time.

Accordingly, and in consideration of the above remarks, claim 1 is believed to patentably distinguish over DeBusk. Claims 2, and 4-8 are dependent upon claim 1. Accordingly, the 35 U.S.C. § 103(a) objection to claims 2, 5, and 8 and the 35 U.S.C. § 102(e) objections to claims 4-7 are likewise overcome.

In addition, claims 9, 17, and 18 recite limitations similar to claim 1. Therefore, claims 9, 17, and 18 are also now believed to patentably distinguish over DeBusk for reasons similar to those discussed above. Claims 11-16 are dependent upon claim 9. Accordingly, the 35 U.S.C. § 102(e) objection to claim 11 and the 35 U.S.C. § 103(a) objections to claims 12-16 are likewise overcome. Claims 20-26 are dependent upon claim 18. Accordingly, the 35 U.S.C. § 102(e) objections to claims 20-23 and 26 and the 35 U.S.C. § 103(a) objections to claims 22 and 24-26 are likewise overcome.

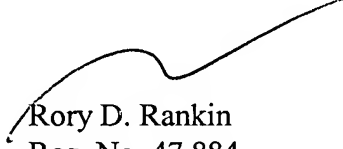
Should the examiner believe issues remain which would prevent the present application from proceeding to allowance, a phone interview with the below signed representative at (512) 853-8866 would be appreciated.

CONCLUSION

In light of the foregoing amendments and remarks, Applicants submit that all pending claims are now in condition for allowance, and an early notice to that effect is earnestly solicited. If a phone interview would speed allowance of any pending claims, such is requested at the Examiner's convenience.

The Commissioner is authorized to charge any fees which may be required, or credit any overpayment, to Meyertons, Hood, Kivlin, Kowert & Goetzel, P.C. Deposit Account No. 501505\5681-48000\RDR

Respectfully submitted,



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